



"On the Water at Historic City Point"

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### Testimony in Opposition to SB 387 AA Increasing the Minimum Fair Wage

My name is David McCoart. I own and operate Sage American Grill & Oyster Bar in New Haven, Connecticut.

I am your small employer. My business is somewhat seasonal. I currently employ 30 people, 12 full-time and 18 part-time, 9 of whom use public transportation. I add about 15 employees in the summer, 8 of whom are high school or college students. In the past I have hired people from the half-way house and people from a homeless shelter in New Haven. This is what a small hands-on employer is able to do, consider some who have had troubled pasts.

My business is a small business with ever shrinking profits, earning approximately \$0.04 pre income tax on every dollar or less before paying back any invested capital. This same business earned approximately \$0.18 on a dollar in the late 80's and early 90's.

I am opposed SB 387 AA Increasing the Minimum Fair Wage for the following reasons:

I am still reeling from cost increases the past two years in a still anemic economy with every shrinking disposable family income and now facing the following costs increases:

- Unemployment rate increase of 25% on top of 13% last year, plus additional special assessments for states negative fund balance due to high unemployment, this increase will cost me an additional \$3,500 on the same payroll.
- Workers Compensation rate increase approved by the state of 9% costing me .7% more on my payroll = \$3,000 over and above last year's increase.
- Beef prices are up 20% - 30% over last year and forecasted to be even higher this summer.